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U.S. Department of Agriculture • Foreign Agricultural Service • Washington, D.C.

foreign agriculture circular

livestock and meat

FLM 1-76
January 1976

INCREASED MEAT PRODUCTION IN 1976 FORECAST FOR FOUR KEY MARKETS

Meat production in 1976 in the key commercial markets of Japan, the United States, the European Community (EC), and Canada is expected to be about 45 million metric tons, 3 percent larger than output in 1975 and 2 percent above the 1974 record. Most of the increase is expected to come from greater poultry production. Slightly smaller supplies of beef are expected but will be equally offset by a small increase in pork production in these key commercial markets.

Beef and veal output in the United States is expected to expand by about 2 percent but to decline by about 4 percent in the EC. In the United States the gains in beef production are expected to come from increases in slaughter and average slaughter weights.

Favorable returns to cattle fatteners in the EC are expected to result in continued restocking of herds during 1976. EC beef output may show some upturn from 1975 levels in the second half as heavier weight animals are marketed.

The forecast of a 20 percent reduction in Japanese beef and veal production is accounted for by a heavy slaughter of dairy calves in the second half of 1974, which is now being reflected in reduced availability of fattened dairy cattle for slaughter. Dairy cows and steers provided about 70 percent of Japan's annual beef production in 1974 and 1975.

In the major world exporting countries of Australia, New Zealand, Central America, Argentina, and Uruguay, beef and veal production is expected to increase by about 6 percent in 1976 to a new record of 6.5 million tons. Most of the gains are expected in Argentina and Australia, where cattle herds have continued to grow despite restricted access in traditional import markets. In 1975 greater domestic beef and veal consumption absorbed a larger portion of production in the major exporting countries than has historically been the case. For 1976, exports from these countries are expected to increase by about 15 percent from 1975 levels. This will still be about 13 percent below record 1972 shipments. These projections are, of course, dependent upon growing access to the Japanese and EC markets and upon slightly greater imports into the U.S. market.

Expected declines in beef and veal production in the EC and Japan will probably result in a further easing of import restrictions in 1976. To maintain consumption availabilities at 1975 levels, EC beef imports would need to be about 250,000 tons, carcass weight, and Japanese imports about 180,000 tons. These totals compare with 1975 imports of about 200,000 and 75,000 tons, respectively. There is considerable speculation that the Soviet Union will buy meat on world markets in 1976 to alleviate domestic supply shortages. It is expected that these purchases will be made between March and August.

Major Importers

United States

U.S. cattle numbers on January 1, 1976, could be 1-3 percent smaller than at the beginning of 1975, owing to the record slaughter of nonfed steers, heifers, and cows during the past year. Present projections of the Economic Research Service indicate slaughter may increase only slightly in 1976—1-2 percent larger than in 1975. Calf slaughter is expected to decline from the 1975 high of 5.3 million head to around 4 million head in 1976. These projected slaughter levels will result in a 35 percent offtake from estimated January 1 numbers. This rate of offtake corresponds to that of 1970, 1971, and 1975. From 1972 to 1973, slaughter as a percentage of beginning inventory averaged only 32 percent because of withholding of cows and replacement heifers for herd building.

Both cow and nonfed steer and heifer slaughter are expected to decline from late 1975 levels in the first half of 1976. Part of the reason for this lies in the increased demand for heavier weight cattle to be placed on feed. Also,

high rates of nonfed steer and heifer slaughter during 1975 are believed to have reduced the supply of these heavy feeder cattle and have been a factor in making competition for them more keen. Despite an expected downturn in the first half of 1976, nonfed steer and heifer slaughter for the period is still expected to be well above that of the first half of 1975.

Placements of cattle on feed during the third quarter of 1975 were large enough to raise the October 1 cattle on feed inventory over year-earlier levels for the first time since October 1973. The inventory stood at 9.3 million head, up 2 percent from October 1974 but still 23 percent below the record October 1 level of 12 million head in 1973. Judging from the number of cattle on feed by weight groups, fed-beef supplies should begin to increase slowly in the first quarter of 1976, followed by larger increases in the spring. Expected seasonal reductions in nonfed slaughter in the first half of 1976 may partially offset increases in fed-cattle marketings.

Despite improved returns to cow-calf operators (utility cow prices are expected to average about 30 percent higher in 1976 than in 1975 and feeder cattle about 25 percent higher), a return to a positive profit position for cow-calf operators is not expected for some time. Then, much will depend upon range conditions, feed prices, and prospects for the new feedgrain crop. These factors will influence both the kind and amount of cattle slaughtered from midyear on.

The supply outlook for competitive meats—i.e., pork and poultry—is mixed. Even though hog producers are now beginning to respond to high prices and favorable feeding margins, production through early 1976 is expected to continue well below depressed 1975 levels. A 7 percent increase in the December-February pig crop was indicated in the December 22 hogs and pigs inventory report. This, however, will not result in increased pork production until late summer.

A return to profitability in the poultry industry is expected to increase 1976 production by 10 percent. Poultry supplies are seasonally the largest during the last half of the year.

On balance, it is expected that the availability of meat from domestic production will be the lowest, compared with 1974 and 1975, in the first half of the year.

U.S. beef and veal imports in 1976 will be heavily dependent upon successful negotiation of a voluntary restraint program with countries eligible to export meat to the United States subject to the 1964 Meat Import Law. Over 90 percent of U.S. beef and veal imports is subject to that Law. The U.S. Secretary of Agriculture announced on December 31 that based on the successful completion of a voluntary-restraint program being negotiated by the Department of State, imports subject to the Law in 1976 would fall below 560,000 tons (product weight), the trigger quantity for quota imposition. Under the 1964 Law, the Administration cannot reduce the import quantity below 508,000 tons. (For purposes of this report, the quantity 560,000 tons has been used as the estimate of imports subject to the Meat Import Law in 1976.)

In 1975, U.S. imports subject to the Law are expected to be 535,000 tons. Assuming some growth in imports of prepared and preserved beef and veal in 1976 and imports subject to the Law of 560,000 tons, total U.S. beef and veal imports are expected to be around 850,000 tons (carcass weight equivalent) in 1976.

U.S. trade in pork in 1976 is not expected to change significantly from 1975 levels. Imports are expected to remain at the lower 1975 level of around 195,000 tons (carcass weight). Pork exports are expected to continue at the relatively high 1975 level of 100,000 tons, (carcass weight equivalent) owing to continued large purchases by Japan.

EUROPEAN COMMUNITY

EC cattle numbers on January 1, 1976, are expected to total 77.4 million head—down about 2-3 percent from early 1975 levels. The reduction in numbers is due to increased cattle slaughter (especially of cows) and sharply lower live cattle imports during 1975. The largest reductions in cattle numbers are expected in United Kingdom (down 5 percent), Ireland (down 10 percent), and Italy (down about 6 percent). The other Member Countries are expected to show little change in cattle numbers, with France showing a possible 1 percent increase because the other EC countries paid slaughter premiums for prime cattle in 1975, whereas France paid premiums to producers to maintain cow herds.

The EC is expected to begin the year with beef stocks of about 400,000 tons—about the same level as in 1975. Of this quantity (on a product-weight basis), about 250,000 tons are in intervention stocks and about 100,000 tons in private storage.

Record-high cattle prices and lower beginning numbers are expected to encourage producers to withhold breeding stock in 1976 to increase inventories. As a consequence, beef and veal production is expected to decline by about 4 percent to 6.3 million tons or 250,000 tons below 1975 output. Assuming a normal stock carryout and exports of 200,000 tons, the EC would need to import about 250,000 tons of beef in 1976 in order to maintain per capita consumption at the 1975 level. Improvement in economic activity and a return to 1974 per capita consumption levels would necessitate imports of another 150,000 tons.

As of January 1, 1976, the EC simplified its import system for beef and veal. Under the new regulations, a trader may import beef in direct relation to the amount of beef he buys from intervention stocks for sale either on the domestic or export market. This trade is expected to result in imports of about 10,000 tons per month. In addition, the EC levy-free GATT quota of 38,500 tons will continue for 1976 and a quota of 14,000 tons of beef for certain developing countries has been set for the first half of 1976. On a product-weight basis, this would bring 1976 beef and veal imports to 172,500 tons (227,000 tons on a bone-in or carcass weight basis).

EC pork production in the first half of 1976 is expected to be down slightly from the same period of 1975. Record producer prices and favorable feeding margins in late 1975 are

EC SUPPLY AND DISTRIBUTION OF BEEF AND VEAL

(1,000 MT, carcass-weight basis)

Item	1974[1]	1975[1]	1976[2]
Jan. 1 stocks	100	400	400
Imports	433	200	250
Production	6,577	6,550	6,300
Exports	207	150	200
Consumption	6,503	6,600	6,650
Ending stocks	400	400	100
Per capita consumption (kilos)	26	25	25

[1]Estimated. [2]Forecast.

expected to influence second-half output and will likely bring production for the year at least to 1975 levels and perhaps up 2 percent.

EC poultry meat production is expected to increase to 3.2 million tons—up about 3 percent from the 1975 level. Broiler production is estimated at 2.2 million tons, compared with 2.1 million in 1975. Turkey meat production is forecast to expand about 6 percent to 371,000 tons, compared with 351,000 in 1975. As in the pork sector, an easing in the cost-price squeeze and optimism in feed price ratios are expected to cause producers to expand operations. EC egg placements in the third quarter of 1975 were up significantly from year-ago levels and serve as the basis for these poultry production forecasts.

JAPAN

While Japan's cattle herd is relatively small and the per capita consumption of beef low, Japan is important on the international market because of the quantity of beef it imports and the fact that imports account for a large percentage of domestic consumption.

In 1973 imports reached a high of almost 45 percent of available consumption as the Government of Japan pressed programs to decrease the heavy slaughter fo breeding cattle and dairy calves. In 1974 and 1975 the percent of imports to total consumption fell to one-fifth as the slaughter of dairy steers and dairy culls rose. There were also a sharp rise in the slaughter of dairy calves in the second half of 1974 and in 1975, which is resulting in less dairy steers being available for slaughter in late 1975 and 1976. For this reason, domestic production of beef and veal is forecast to fall 20 percent from the 1975 level of 330,000 tons to 260,000 tons in 1976. Any production above this level will decimate the dairy and beef breeding herds. The Japanese Government has added to its programs in its attempt to aid in retention expansion of its beef cattle herds. It will now pay farmers 4,000 yen/head ($13) for beef cows held for calving, and beef breeding cattle will be imported for governmental projects on Hokkaido, the northernmost island.

Beef imports are predicted to increase to almost 180,000 tons (carcass weight equivalent) and comprise 40 percent of the 1976 consumption. While Australia will continue to provide the majority of the imports, an increasing share will come from the United States to satisfy the sizable retail and restaurant trade. Consumption in 1976 is forecast to increase from the 400,000 ton-level in 1975, to 420,000 tons, continuing the gradual increase seen in recent years.

In 1976, pork production is forecast to recover about half of the approximately 7 percent decline that occurred in 1975. Hog numbers on February 1, 1976, are estimated to be 7.8 million head. Since consumption is forecast to grow slowly, imports will likely remain near their 1975 level of about 130,000 tons.

Lamb and mutton production is miniscule in Japan, with imports supplying most of the needs. The 1975 import level of 165,000 tons is expected to be equaled in 1976; however, if international pork prices decline, pork imports may substitute for some of the mutton imports.

Following a decade of steady rapid growth during which broiler output increased more than 10 fold, production and consumption of all poultry meat stabilized in 1975 and only a small increase is projected for 1976. A production increase of 1 percent for broilers in 1975 was virtually neutralized by the reduction in meat layouts and smaller imports. Consumption in 1975 may decline less than 1 percent and consumption in 1976 is expected to recover only to the 1974 level.

CANADA

Beef and veal production in Canada is forecast at 1.045 million tons in 1976—down about 1 percent from 1975 record levels. Cattle and calf slaughter increased by 22 percent in 1975 compared with a 12 percent increase in beef and veal output, reflecting sharp reductions in average slaughter weights. The lower slaughter weights in 1975 resulted from a combination of factors—a reduction in imports of heavy cattle from the United States, less grain finishing, and increased marketings of cows and heifers.

A record inventory of cattle and calves on July 1, 1975, resulted in predictions of high rates of slaughter in 1976. However, high rates of slaughter for the last half of 1975 have somewhat reduced the 1976 potential. It is anticipated that the January 1, 1976, inventory will show an increase of only 1 percent above that of a year earlier.

The level of beef and veal production in 1976 will be greatly influenced by feed costs. Lower feed costs would result in increases in feedlot placements, lower calf slaughter, and a sizable increase in marketings of fed cattle, which would be reflected in heavier slaughter weights and higher beef output. On the other hand, higher costs for feed probably would keep cattle feeding at a low level, resulting in a smaller supply of fed cattle and continued heavy slaughter of cattle and calves fed primarily on grass and other roughages.

Pork production is forecast at 545,000 tons in 1976, about 2 percent up from that of 1975. The 1974 output of

611,000 tons was 13 percent below 1973's. Hog slaughter in the last quarter of 1975 is expected to be 5-6 percent below that of 1974, and indicated farrowings for the quarter are 6 percent below the corresponding quarter of 1974. Thus, hog slaughter and pork production will not recover prior to late 1976.

With the removal of Canadian import quotas on U.S. beef and veal and U.S. retaliatory quotas on imports of beef and veal on January 1, 1976, the border has been reopened to two-way trade in all categories of live animals and red meat. Canadian import quotas on slaughter cattle and U.S. retaliatory quotas on cattle, hogs and pork were removed in August 1975. However, the border has not opened quite as wide to U.S. animals moving north when compared to the period prior to 1974. U.S. slaughter cattle can be exported to Canada only if they are accompanied by a DES certificate and, as of October 27, 1975, U.S. feeder cattle are subject to more stringent testing procedures imposed by Canada for bluetongue and anaplasmosis. Provided the recent increases in feedlot placements continue in the United States., the DES certificate program will continue to provide the United States with the potential to ship higher quality slaughter animals to Canada in response to market demand. However, the new testing procedures for feeder cattle (also applicable to breeding animals) will limit if not preclude the United States from taking advantage of any short-term market demand for feeder cattle in Canada. The DES certificate program will continue to impede U.S. exports of beef to Canada somewhat. Canadian exports of beef and veal to the United States—primarily boneless beef for processing—are forecast at 60-70 million pounds for 1976, representing a return to the traditional pattern of trade.

USSR

Accelerated hog slaughter in the USSR during recent months has sharply reduced hog numbers on State and collective farms from 56.8 million head on August 1 to 46.5 million on November 1. It is now estimated that total hog numbers (including private holdings) on January 1, 1976, will be about 15 percent less (about 60 million head) than in 1974. Poultry numbers on November 1 were 376 million—slightly less than the 378.8 million for the same period in 1973 but 44 million or about 10 percent less than on November 1, 1974. January 1, 1976, poultry numbers on State and collective farms are now forecast at about 360 million birds—down about 10 percent from the 403 million on January 1, 1975.

While this trend means extra pork and poultry production for the last quarter of 1975, it could make the supply situation tight for 1976. At this writing, there is no indication that increased slaughter of cattle has occurred because of shortages of grain and forage. However, milk production on State and collective farms was below year-ago levels during September and October. This is indicative that cattle rations are being changed. There is some indication that shortages of forage will ultimately cause an increase in cattle slaughter in early 1976. Given this, only modest purchases of meat might be necessary during the first quarter. The cruicial period for meat supply is expected to be between March and August before new-crop grain is available.

Major Exporters

P.L. 88-482 Suppliers

AUSTRALIA

Australia's beef and veal production in 1976 is forecast at 1.8 million metric tons, 6 percent above 1975 output and 43 percent above the reduced levels of 1974. Cattle numbers are expected to show another increase on March 31, 1976 despite record slaughter during 1975. The expected increase (from 1.0 to 1.5 million head) is much less than a year earlier. This is partly due to the large number of cows and calves slaughtered and to a general lapse in management practices during the beef slump, which contributed to higher death losses during the year.

The forecast for the 1976 output of beef and veal assumes a further increase in slaughter, but still below the level needed to halt the increase in inventory numbers. In the absence of prolonged drought conditions, the number of cattle in Australia probably will increase for at least another 2 years. Prolonged drought conditions, on the other hand, would result in herd liquidations with higher slaughter rates and larger death losses than now projected for 1976.

Australia's total exports of beef and veal for 1975 are estimated at 500,000 metric tons, product weight—up 48 percent from 1974. Most of this increase occurred in shipments to the United States, but exports to Canada

AUSTRALIA'S BEEF AND VEAL EXPORTS BY COUNTRY OF DESTINATION
(1,000 metric tons, product weight)

Country	1973	1974	1975 (Estimated)
U.S.	322.3	241.6	290
Canada	32.5	21.6	28
EC	84.5	21.4	15
Other Europe	([1])	4.0	20
Japan	113.6	26.5	30
USSR	- - -	- - -	35
Middle East	([1])	3.4	21
Malaysia-Singapore	3.3	4.2	8
Other	34.4	17.1	48
Total	590.6	339.8	500

[1]Included in other.

increased moderately and exports to Japan and the EC were larger than earlier anticipated. Sales to the Middle East and the USSR also accounted for some of the gains.

Australia's exports of beef to the United States will likely be a little lower in 1976 than in 1975. This appears to be the situation, even though the Australian-U.S. voluntary restraint agreement for 1976 will probably show an increase for Australia over the initial restraint limit established for exports to the United States in 1975. Australia's shipments of meats subject to the U.S. restraint program (primarily beef) were given a boost in 1975 by a shortfall allocation of 23.5 million pounds. Also, some additional overshipments occurred, resulting in some increase in the quantities of Australian meat held in U.S., bonded warehouses at the end of 1975, which will count against the 1976 restraint program.

It is unlikely that Australian cattlemen will hold back market cattle in 1976 as they did in 1973 and 1974. With prospects for a slight decline in exports of beef to the United States it is anticipated that the increase in supplies (which will come largely from increased production) will be absorbed by the home market and shipments to other countries. Japan, the Middle East, and possible the EC and the USSR, are expected to be better markets for Australian beef in 1976.

If export prospects improve beyond current expectations and/or there are shortfall reallocations in the U.S. restraint program in 1976, the home market may not have to absorb a significantly larger percentage of the total beef and veal output. Home consumption of beef and veal in 1975 accounted for about 56 percent of the total production.

NEW ZEALAND

It is now evident that following the high levels of bobby calf slaughter over the past two seasons and record beef production in the 1974/75 (October-September) marketing year, New Zealand's beef and veal production in 1976 likely will be down from the previous year. Beef and veal production is forecast at 465,000 metric tons in 1976 compared with an estimated 507,000 tons in 1975. The cattle inventory on January 1, 1976 is expected to be about 200,000 below the 9.8 million head on hand a year earlier. Much of this decline can be attributed to the slaughter of over 500,000 dairy-beef calves in 1975.

The higher rates of cattle slaughter in 1975 were due partly to supplementary payments by the New Zealand Meat Producers Board to bring cattle to slaughter. Were it not for these payments, a number of low value cull cows and lean yearlings would not have returned sufficient money to pay for cartage and killing expenses. In the absence of these supplementary payments many of these cattle would have been slaughtered after October 1, 1975 when higher Board payments came into effect, and the lean yearlings would have been marketed at heavier weights in 1976. The new schedule guaranteed by the Meat Board was increased on October 1, 1975 from 17 cents per pound, dressed, for steers to 25 cents—and from 12 cents to 18 cents for cows.

New Zealand's devaluation of 15 percent on August 11, 1975 may have contributed to higher rates of slaughter for all classes of cattle subsequent to that date. This devaluation gave New Zealand a temporary, at least, competitive advantage in beef export markets.

The expected decline in cattle and calf slaughter and lower level of beef and veal output in 1976 would result in a decline in available supplies of meat for export. However, export availabilities, due to an increase in carryover of beef, are expected to be down only 4 percent compared with the expected decline of 8 percent in production. These projections are based on a normal slaughter takeoff and no significant change in average slaughter weights. A higher than anticipated rate of slaughter coupled with heavier slaughter weights could result in an output of beef and veal in 1976 much closer to 1975 levels.

A summary of New Zealand's beef and veal exports by country of destination for the year ending September 30 follows:

BEEF AND VEAL EXPORTS
(1,000 metric tons, product weight)

Country	1973	1974	1975
United States	141.3	115.8	124.8
Canada	21.8	25.6	23.8
United Kingdom	14.8	7.7	5.7
Japan	8.4	2.3	1.1
Other	19.8	19.6	80.6
Total	206.1	171.0	236.0

New Zealand's exports of beef and veal to the United States are expected to increase slightly in 1976 due to a corresponding increase in total U.S. imports under the voluntary restraint program. Exports to other markets probably will decline, but a decline in home consumption plus larger production than anticipated could keep 1976 exports of beef and veal to other markets near 1975 levels.

CENTRAL AMERICA AND THE CARIBBEAN

Cattle numbers in the six Central American countries were estimated at 10.5 million head at the beginning of 1975 and are projected to increase to 10.8 million head at the start of 1976.

With higher export prices in the last 4 months of 1975, the rainy season over, and cattle in much better condition, both slaughter and exports in most Central American countries have increased.

This trend is expected to carry into 1976 with slaughter for the year forecast 6 percent over the 1975 level. Since domestic consumption is only expected to increase 2 percent, total exports are expected to rise about 12 percent from the 110,000 tons in 1975 to 125,000 tons carcass

weight equivalent in 1976. This still would permit a small increase in cattle numbers. But if prices go higher and/or if pastures deteriorate, slaughter would probably increase even more, forcing an additional increase in domestic consumption and/or export.

Production and exports are expected to show moderate increases in Haiti and the Dominican Republic in 1976. Beef exports from the Dominican Republic are forecast at 4,550 tons in 1976, approximately 900 tons higher than the drought-reduced 1975 estimate, but substantially below the 7,260 and 6,350 tons shipped in 1973 and 1974 respectively. Exports from Haiti are expected to increase slightly to about 850 metric tons.

Pork and poultry continue to be produced to varying extents in Central American countries, but largely for internal consumption. Lower prices for beef and increased domestic consumption have had a dampening effect on production of these competitive meats in some of the countries.

MEXICO

Production of beef in Mexico in 1976 is expected to increase about 7.5 percent over that produced in 1975 to approximately 955,000 tons. Consumption is forecast to increase 6 percent to 926,000 tons, and almost 30,000 tons carcass weight equivalent should be available for export in 1976. This is approximately twice as much as in 1975.

A large number of yearlings have been retained on northern pastures in Mexico. These cattle would normally have been sold as feeders to the United States, but low U.S. prices in 1975 made the sales unattractive. Consequently feeder cattle exports dropped to about one-fourth their 1974 level in 1975 (January through October 91,000 were imported into the United States from Mexico compared to 382,000 in the same period of 1974). These retentions plus the heavy cow and calf stocking in 1975 are expected to cause January 1 cattle numbers in Mexico to be about 28.8 million head.

Exports in 1976 could be larger than currently forecast if dry weather forces ranchers to sell from their very heavily stocked pastures.

Other Major Exporters

ARGENTINA

The Argentine cattle herd is expected to increase approximately 1 percent in 1976 over the June 30, 1975, level of 59.8 million head. This slow rate of increase is due to the large slaughter of cows in 1975 and increased total slaughter to satisfy sharply higher domestic consumption in 1975 and to meet the recovery in export demand seen in the latter half of 1975. Production is forecast to increase from 2.5 million tons to 2.7 million tons in 1976.

Exports in 1975 were approximately 10 percent below the 1974 level of 289,000 tons; however, exports in the last half of the year have been strengthening. This strengthening is expected to continue and exports in 1976 are estimated to be 400,000 tons (carcass weight equivalent). Larger exports are foreseen to several markets, including the EC and the United States.

Consumption, which is currently 89 kilograms per capita (196 pounds), is forecast to increase to 91 kilograms in 1976. This compares to a 14 kilogram increase in 1975 over 1974.

Currently most of the pastures are in good condition throughout the country. Ranchers are mainly concerned that, while cattle prices have risen, they have not gained enough to compensate for inflation. Recent strikes by cattle producers have resulted in slight temporary price rises and an adjustment in the rate of exchange used for exports. This should result in greater export sales as prices will be lower to the importer, but, at the same time, stronger demand should raise prices for the producer.

URUGUAY

Good rains and moderate weather kept the heavily stocked Uruguayan pasture in very good condition during the winter months of June-September. Current 1976 forecasts are: For herds to again expand, but at a slower pace; for production to increase slightly, but the number slaughtered to increase even more as weight per animal declines; for exports to increase to 40 percent of production, up from the approximate 30 percent in 1975; and for domestic beef consumption to fall about 30 pounds from the high 187 pounds per capita in 1976.

This forecast is based on the rising export market seen by Uruguay in the later months of 1975 continuing through 1976 and maintenance of the excellent pasture conditions seen in 1975. Exports are forecast at 145,000 tons (carcass weight equivalent) in 1976 compared with a possible 100,000 tons in 1975. If the export market does not rise sufficiently, or good pasture conditions are not maintained domestic consumption will probably stay near its 1975 level and, depending on the severity of the situation, prices will fall. Taking into account orders and sales of approximately 60,000 tons, (product weight) of beef and beef products in the final months of 1975 and measures taken to force the consumption of frozen beef in Montevideo and Carelones, frozen stocks should be moderate by the end of 1975. Of the export sales, 26,000 tons are to be exported to Brazil to be processed for export to the United States and Egypt.

TABLE 1.--BEEF AND VEAL: CONSUMPTION, PRODUCTION, AND IMPORTS FOR UNITED STATES, EC-9, AND JAPAN 1972 TO DATE--CARCASS WEIGHT EQUIVALENT

Country and year	Per capita consumption		Domestic production		Imports 1/				Wholesale prices 2/	
	Quantity	Index 1971 - 100	Quantity	Index 1971 - 100	Quantity	Index 1971 - 100	As percent of production	Share of world imports	Cents per kilo	Index 1971 - 100
	Kilos		1,000 M.T.		1,000 M.T.		Percent	Percent		
United States:										
1971	52	100	10,182	100	797	100	8	39	107.14	100
1972	54	104	10,377	102	905	114	9	35	116.62	109
1973	51	98	9,813	96	917	115	9	33	142.37	133
1974	54	104	10,716	105	747	94	7	37	144.14	135
1975 3/	56	106	11,265	110	775	97	7	45	150.00	140
1976 4/	56	110	11,450	112	850	104	7	40	155.00	145
EC-9:										
1971	25	100	6,045	100	560	100	19	28	143.03	100
1972	25	100	5,504	91	952	170	17	37	186.62	130
1973	25	100	5,571	92	985	176	18	35	237.94	166
1974	26	104	6,577	109	433	77	7	21	229.98	161
1975 3/	25	100	6,550	109	200	36	3	11	280.00	196
1976 4/	25	96	6,300	104	250	45	4	12	300.00	210
Japan:										
1971	3	100	275	100	63	100	23	3	238.89	100
1972	4	133	295	107	87	138	29	3	280.34	117
1973	4	133	227	83	194	308	85	7	478.31	200
1974	3	100	293	107	84	133	29	4	396.39	166
1975 3/	4	133	330	102	75	120	23	4	400.00	167
1976 4/	4	133	260	110	180	286	70	9	475.00	200

1/ Intra-trade excluded for EC-9 and world total. 2/ U.S., Dressed fresh beef, Good--600-700 pounds; Chicago, EC-9, Hamburg--wholesale price of bullock and heifers. Japan, fattened Wagyu cattle. 3/ Preliminary. 4/ Estimate.

TABLE 2.--BEEF AND VEAL: WORLD IMPORTS FOR SELECTED COUNTRIES, AND TOTAL FOR ALL COUNTRIES, ANNUAL 1972 TO DATE--CARCASS WEIGHT EQUIVALENT
(In thousands of metric tons)

Country	1972	1973	1974	Estimate 1975	Forecast 1976 1/
United States	905	917	747	775	850
EC-9 2/	952	985	433	200	250
Canada	99	104	84	85	90
Japan	87	194	84	75	180
Spain	84	81	20	15	20
Greece	52	75	34	35	35
Switzerland	43	41	20	10	20
Germany, East	42	46	36	35	40
USSR	32	16	289	200	300
Chile	38	21	0	0	0
Portugal	32	20	35	30	30
Other countries	240	306	262	300	300
Total 1/	2,606	2,806	2,044	1,760	2,115

1/ FAS estimates. 2/ Excludes intratrade.

TABLE 3.--BEEF AND VEAL: WORLD EXPORTS FOR SELECTED COUNTRIES AND TOTAL FOR ALL COUNTRIES--ANNUAL 1972 TO DATE--CARCASS WEIGHT EQUIVALENT
(In thousands of metric tons)

Country	1972	1973	1974	Estimate 1975	Forecast 1976 1/
P.L. 88-482: 2/					
Australia	746	920	505	750	775
New Zealand 3/	289	316	267	317	305
Canada	42	41	27	17	40
Mexico	58	39	19	15	30
Central America 4/	139	132	113	114	130
Subtotal	1,274	1,448	931	1,213	1,280
EC-9	85	82	207	150	200
Argentina	674	500	300	265	400
Uruguay	146	109	108	100	145
Other countries	407	462	401	397	400
Subtotal	1,312	1,153	1,016	912	1,145
Grand total	2,586	2,601	1,947	2,125	2,425

1/ FAS forecast. 2/ Excludes Ireland. 3/ Year ending September. 4/ Includes Dominican Republic and Haiti. 5/ Excludes intra-trade.

TABLE 4.--MEAT PRODUCTION IN MAJOR IMPORTING AREAS
ANNUAL 1972 TO DATE--CARCASS WEIGHT EQUIVALENT
(In thousands of metric tons)

Commodity and country	1972	1973	1974	Estimate 1975	Forecast 1976
Beef and veal:					
United States	10,377	9,813	10,716	11,265	11,450
Canada	898	897	942	1,052	1,045
EC-9	5,504	5,571	6,577	6,550	6,300
Japan	295	227	293	330	260
Total	17,074	16,508	18,528	19,197	19,055
Pork:					
United States	6,187	5,784	6,262	5,190	6,135
Canada	632	617	611	533	545
EC-9	7,623	7,601	7,847	7,700	7,700
Japan	769	842	958	915	945
Total	15,211	14,844	15,678	14,338	15,325
Mutton and lamb:					
United States	246	233	211	185	170
Canada	9	10	8	8	10
EC-9	476	464	505	508	550
Japan	1	1	(1/)	(1/)	(1/)
Total	732	708	724	701	730
Poultry: 2/					
United States	4,901	4,846	4,913	4,817	5,275
Canada	445	473	469	425	445
EC-9	3,017	3,188	3,146	3,159	3,235
Japan	621	699	744	747	750
Total	8,984	9,206	9,272	9,148	9,705
Total meat:					
United States	21,711	20,676	22,102	21,547	22,990
Canada	1,984	1,997	2,030	2,018	2,045
EC-9	16,620	16,824	18,075	17,917	17,785
Japan	1,686	1,769	1,995	1,902	1,995
Total	42,001	41,266	44,202	43,650	44,815

1/ Less than 500 metric tons. 2/ Product weight basis.

TABLE 5.--NET MEAT IMPORTS IN MAJOR IMPORTING AREAS
ANNUAL 1972 TO DATE--CARCASS WEIGHT EQUIVALENT
(In thousands of metric tons)

Commodity and country	1972	1973	1974	Estimate 1975	Forecast 1976
Beef and veal:					
United States	877	876	718	750	825
Canada	57	63	57	65	50
EC-9 1/	867	903	226	50	50
Japan	87	194	84	75	180
Total	1,888	2,036	1,085	941	1,105
Pork:					
United States	182	156	166	90	90
Canada	-31	-32	-9	10	15
EC-9 1/	-33	-61	-69	-50	-50
Japan	76	153	60	130	125
Total	194	216	148	180	180
Mutton and lamb:					
United States	66	23	10	16	15
Canada	48	35	22	18	20
EC-9 1/	373	310	235	200	200
Japan	212	187	126	165	165
Total	699	555	393	399	400
Poultry:					
United States	-67	-74	-80	-88	-95
Canada	5	6	1	6	5
EC-9 1/	-51	-74	-94	-77	-75
Japan	29	25	23	15	20
Total	-84	-117	-150	-144	-145
Total meat:					
United States	1,058	981	814	788	835
Canada	79	72	71	100	90
EC-9 1/	1,156	1,078	298	123	125
Japan	404	559	293	365	490
Total	2,697	2,690	1,476	1,376	1,540

1/ Excludes intra-trade. 2/ Includes intra-trade, product weight basis.

TABLE 6.--PRODUCTION AND EXPORTS OF BEEF AND VEAL BY MAJOR EXPORTING COUNTRIES ANNUAL 1972 TO DATE--CARCASS WEIGHT EQUIVALENT

(In thousands of metric tons)

Country	1972	1973	1974	Estimate 1975	Forecast 1976
Production:					
P.L. 88-482 countries: 1/					
Australia	1,321	1,497	1,258	1,700	1,800
New Zealand 2/	411	449	401	507	465
Central America 3/	334	333	318	328	345
Mexico	593	745	844	889	955
Subtotal	2,659	3,024	2,821	3,424	3,565
Other:					
Argentina	2,191	2,152	2,145	2,500	2,700
Uruguay	290	256	250	268	275
Subtotal	2,481	2,408	2,395	2,768	2,975
Total	5,140	5,432	5,216	6,192	6,540
Exports:					
P.L. 88-482 countries: 1/					
Australia	746	920	505	750	775
New Zealand 2/	289	316	267	317	305
Central America 3/	139	132	113	114	130
Mexico	58	39	19	15	30
Subtotal	1,232	1,407	904	1,196	1,240
Other:					
Argentina	674	500	300	265	400
Uruguay	146	109	108	100	145
Subtotal	820	609	408	365	545
Total	2,052	2,016	1,312	1,561	1,785

1/ Excludes Canada and Ireland. 2/ Year ending September. 3/ Includes Haiti and Dominican Republic.

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TABLE 7.--PRODUCTION AND EXPORTS OF MUTTON AND LAMB BY MAJOR EXPORTING COUNTRIES ANNUAL 1972 TO DATE--CARCASS WEIGHT EQUIVALENT
(In thousands of metric tons)

Country	1972	1973	1974	Estimated 1975	Forecast 1976
Production:					
Australia	866	572	471	547	565
New Zealand 1/	569	554	493	495	515
Argentina	133	128	111	114	115
Total	1,568	1,254	1,075	1,156	1,195
Exports:					
Australia	373	230	140	275	295
New Zealand 1/	460	435	394	387	410
Argentina	17	28	20	20	20
Total	850	693	554	682	725

1/ Year ending September.